IMMEDIATE ATTENTION TO CURRENCY QUESTION URGED

state food and dairy commissioners drowed in striking fashion how much be dearly co-operation of the Federal law, without which action and State officials in securing a given reform. It is primarily to the action of the State laws were largely ineffective. There must be the closest co-operation of the State laws were largely ineffective. There must be the closest co-operation between the National and State governments in administering these laws.

Elastic Currency Laws Are Urged as Pressing

In my message to the Congress a year ago I spoke as follows of the currency:

"I especially call your attention to

the condition of our currency laws. The national bank act has ably served a great purpose in aiding the enormous

to incur liability of business disaster. Since your body adjourned there has been a fluctuation in the interest on call money from 2 per cent to 30 per cent, and the fluctuation was even greater during the preceding six months.

to step in and by wise action put a stop Even worse than such fluctuation is the credit even at high rates. All commer-

interests. We must also rule out plan which would materially im-

should be permitted to issue a specified

and its accumulation at New York tempts bankers to lend it at low rates for speculative purposes; whereas at other times when the crops are being moved there is urgent need for a large but temporary increase in the currency

"It must never be forgotten that this question concerns business men generally quite as much as bankers; especialis this true of stockmen, farmers, ad business men in the West, for at resent at certain seasons of the year

Need More Elastic Currency.

I again urge on the Congress the need distant relatives.

\$3,465,000,000 of Revenue. the six fiscal years ending with the 1st American policy. business development of the country, of July last, the total expenditures and

The income account of the Nation is abroad, for the well-being of the wagein a most satisfactory condition. For worker must ever be a cardinal point of

The question should be approa from \$21.41 to \$33.08. For several years evidence has been accumulating that additional legislation is needed. The recurrence of each crop season emphasizes the defects of the present laws.

There must soon be a revision of them, because to leave them as they are the formulation of the proposition of them, because to leave them as they are the postal revenues and expenditures, including in the latter the \$50,000,000. The net excess of income here are expenditures, including in the latter the \$50,000,000 expended for the Panama Canal, was \$190,000,000 for the six years, an average of about \$31,000,000 a global provided in the time and the manner of the change being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the basis world, and to give the least play for selfish and factional motives. The sole consideration should be to see that the sub-years, an average of about \$31,000,000 a global provided in the provided in the time and the manner of the change being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and disturbance in the being such as to arouse the minimum of agitation and itse revenues of the National Government, purely from a business standpoint; both would be hard to improve.

The satisfactory working of the present tariff law has been chiefly responsible for this excellent showing. Nevertheless, there is an evident and con-

erce of the country.

mere statement of these facts Supreme Court; while in addition it is he mere statement of these facts is that our present system is serily defective. There is need of a ge. Unfortunately, however, many he proposed changes must be ruled a consideration because they are plicated, are not easy of comprehenant tend to disturb existing rights. Interests, We must also rule out. was most desirable to have taxed, for if so evaded it would, of course, be law, that no man stands above the risk he thus at the moment assumes than no tax at all; as the least

be hoped that one may be devised which the Supreme Court will declare constithe supreme court will declare constructional. The inheritance tax, however, its both a far better method of taxation, than one important point; they should and far more important for the purpose of having the fortunes of the country of having the fortunes of the country of them are the country of them. proportion of their capital in notes of bear in proportion to their increase in them, and so that the real wrongdoer reduced in number. The national laws

present at certain seasons of the year the difference in interest rates between the East and the West is from 6 to 10 per cent, whereas in Canada the corresponding difference is but 2 per cent. Any plan must, of course, guard the interests of Western and Southern bankers as carefully as it guards the interests of New York or Chicago bankers, and must be Grawn from the standpoints of the farmer and the merchant no less than from the standpoints of the city banker and country banker."

Need More Elastic Currency.

Ing to us because it makes the inherita ance stax an imperial measure, while allotting to the individual states of the empire a portion of the proceeds and permitting them to impose taxes in addition to those imposed by the imperial government. Small inheritances are exempt, but the tax is so sharply progressive that when the inheritance is still not very large, provided it is not an agricultural or a forest land, it is taxed at the rate of 25 per cent if it goes to of immediate attention to this matter, Government should not impose in- tinue to occur and the research

some of it there is warrant. This question, and the District of Columbia and the Terthonic forms and the court has decided that the progressive principle is so applied that each higher rate is imposed only on the excess above the amount subject to the next lower rate; so that each incourse, be made with an effective guaranty, and upon conditions carefully presently authorized and directed by the Government. Such emergency issue must be based on adequate gency issue must be based on adequate for our social welfare if we should, as rapidly and as far as practicable, be made to bear more heavily upon those residing more and more one of the head-tion question, and the District of Columbia and the Terthonic forms and the District of Columbia and the District of Col

Wealthy Offenders Punished.

A few years ago there was loud com plan which would materially implan which would materially implan which would materially implan which would materially implan which would materially implantable if so evaded it would, of course, be that it can not be held to account. The Department of Justice has been as prompt to proceed against the wealthing who included the proceed against the wealthing who includes the diffused, instead of falling upon greed and cunning as to proceed against the man or woman least able to bear the burdens as at large should share the burdens as a large should share the large should share the large should of the proper type would be a desirable der the existing law, and with the ex-feature of Federal taxation, and it is to isting state of public opinion, which so the proposed law, employes would

of having the fortunes of the country proportion of their capital in notes of a given kind, the issue to be taxed at so high a rate as to drive the notes back when not wanted in legitimate trade. This plan would not permit the issue of currency to give banks additional profits, but to meet the emergency presented by times of stringency.

"Id on ot say that this is the right system. I only advance it to emphasize my belief that there is need for the adoption of some system which shall be automatic and open of all sound banks, so as to avoid all possibility of discrimination and favoritism. Such a plan would tend to prevent the spassms of high money and speculation window in the New York market; for at present there is too much currency at certain seasons of the year, and its accumulation at New York harmets. Parkers to lead to the contract of the proportion of their increase in them, and tes actions of the capital increase and burch as the first in the devolution of property is expecially appropriate for the imposition of a tax that is stringency.

"A do not say that this is the right be automatic and open of all sound banks, so as to avoid all possibility of discrimination and favoritism. Such a plan would tend to prevent the spassms of high money and speculation which and its accumulation at New York market; for at present there is too much currency at certain seasons of the year, and its accumulation at New York papers to long of the proportion of the read wongdoer in any such as the proportion of the read wongdoer in a public case, and accidents would be the main so that the read wongdoer in a public of a taxtion. The Government has the mass trade the decide as to the first them, and so that the read wrong derivation. The Government has the action and in the read wong derivation because of the appropriate for the importance of the capitalist and wage-represent the proportion of the capital standard trade in the capture of the actual proportion of the capital standard trade in the capture of the capture of th are profoundly unhealthy, but which, unfortunately, the business community has grown to recognize as well-night normal. Both the present condition of the law and the present temper of juries render it a task of extreme difficulty to get at the real wrongdoer in any such case, especially by imprisonment. Yet it is from every standpoint far preferable to punish the prime offender by imprisonment rather than to fine the corporation, with the attendant damages to stockholders.

The two great evils in the execution

can by the Government. Such emergency issue must be based on adequate securities approved by the Government, and must be issued under a heavy tax. This would permit currency being issued under a heavy tax. This would permit currency being issued under a heavy tax. This would permit currency being issued under a heavy tax. This would permit currency being issued under a heavy tax. This would permit currency being issued when the demand for it was urgent, while securing its retirement as the demand for it was urgent, while the dem

stantly growing feeling among our people that the time is rapidly approaching when our system of revenue legislation must be revised.

This country is definitely committed to the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be for the process of injunction is an experision. It might be well to be converted any of the propolar conscience of certuring the experision. It might be well to be for the process of injunction is an experision. It might be well to be converted any of the propolar conscience for certuring the converting of the propolar converted any offer to seem boats, although not going as far, whether on the beach of give and the converts doing the lines of the result in a country of such phenomenal growth as the profess to give the classified in the country of the growth and the profess of the country of the growth and the profess of the growth

enue, but which will at least make good the difference in the labor cost here and In Insuring Employes

ployes of navy yards and arsenals. other words, a model employers' liability act, far-reaching and thoroughgoing should be enacted which should apply to all positions, public and private, over which the National Government has juvised to the number of accidents to the past summer. A strike of telegraph operators seriously interfered with telegraphic communication, causing great damage to business the property of the past summer.

Community Should Bear Burden.

The employer is the agent of the aint that the law could not be invoked public and on his own responsibili against wealthy offenders. There is no and for his own profit he serves the such complaint now. The course of the public. When he starts in motion Department of Justice during the last agencies which create risks for others, ew years has been such as to make it he should take all the ordinary and

stitutionality has been affirmed. The question has been carried to the Supreme Court, the case has been heard by that tribunal, and a decision is expected at an early date. In the event that the court should affirm the constitutionality of the act, I urge further legislation along the lines advocated in my message to the preceding Congress.

into to the premotives of the services of the production of the pr

The National Government should be a class of disturbances in the interest model employer. It should demand the alike of the employer, the employe, and highest quality of service from each of the general public. I renew my previous its employes and it should care for all recommendation that the Congress fa-of them properly in return. Congress vorably consider the matter of creating should adopt legislation providing lim- the machinery for compulsory investiited but definite compensation for acci-dents to all workmen within the scope as are of sufficient magnitude and of of the Federal power, including em- sufficient concern to the people of the country as a whole to warrant the Fed-

been a fluctuation in the interest on call money from 2 per cent to 30 per cent, and the fluctuation was even greater during the preceding six months.

The Secretary of the Treasury had to step in and by wise action put a stop to the most violent period of oscillation. Even worse than such fluctuation is the advance in commercial rates and the uncertainty felt in the sufficiency of certainty felt in the sufficiency

sioner of Labor a board of mediation in controversies between interstate rail-roads and their employes has, for the first time, been subjected to serious tests within the past year, and the wisdom of the experiment has been fully demonstrated. The creation of a board for compulsory investigation in cases where mediation falls and arbitration is rejected is the next logical step in a progressive program.

Capital and Labor.

It is certain that for some time to the agitator who incites to brutal vio-lence. Everything that can be done un-at large should share the burdens as cities or towns of some size and who those among our citizens who dwell in work for wages. This means that there manufacture and transportation, transacted by a large number of capi-

tion.

Much of the work for the accomplishment of this end must be done by the individuals concerned themselves, whether singly or in combination; and the one fundamental fact that must never be lost track of is that the character of the average man, whether he be a man of man of man, whether he be a man of man, whether he be a man of man, whether he is a man of cues, no growth of any loss in not only in this country, but abroad. I, therefore, suggest to the Congress the advisability of a national system of inspection and grading of grain entering into interstate and foreign commerce as a remdy for the present evils.

we need a greater elasticity in our curvency; provided, of course, that we recognize the even greater need of and secure currency. There must safe and secure currency. There must always be the most rigid examination by the national authorities. Provision by the national authorities. Provision the measure safe and secure currency are national authorities. Provision timue to occur and the rese. In the distance taxes in addition to those impose in the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the mirds of those who feel that their time to occur and the rese. In the will serve as a stimuration to cur future citizenship. Our legistation in this regard.

Extend Eight-Hour Law.

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The Congress should consider the exprises their libus to the various States to perfect their lights are being involved and their libus to the various states to perfect their lights are being involved and their libus to the various states to perfect their legislation in this regard.

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The Congress should consider the expressive the even greater need of a lation to cur future citizenship. Our legistation of the congress is very much being any of the Congress is very much of which which with the National Government has been always be the most rigid examination by the national authorities. Provision by the national authorities. Provision by the national authorities. Provision by the national authorities are not to be heartly commended.

In always be the most rigid examination some cases as high as 25 per cent.

Wholly without warrant; but I am constitutionality of the present law has sion of the Congress relating to the employment of women and children in playment of women and children in place of a harmonic place of a ha

section of the substrict of Columbia and the bistrict of Columbia and the wisest legislation to this effect should be enacted for the bistrict of Columbia and the wisest legislation on the subject can only accomplish a certain amount. No legislation on the subject can only accomplish a certain amount to the results of speculative following against the results of speculative following fo

Farmers and Wage Workers.

When the Department of Agriculture the Government, however, has more to touch with the people. The two citand therefore to the welfare of all other manual labor and the tiller of the soil, of labor where the work must be purely labor where, under existing conditions, very little demand indeed is made upon the mind, though I am glad to say that kind of work is diminishing. But in any of those who manufacture and districommunity with the solid, healthy qual- bute it. ities which make up a really great nation the bulk of the people should do Labor has but recently been founded, but has already justified its existence: both body and mind, Progress cannot permanently exist in the abandonment permanently exist in the abandonment of physical labor, but in the development of physical labor, so that it shall represent more and more the work of the trained mind in the trained body.

Our school system is gravely defective in so far as it puts a premium upon mere literary training and tends therefore to train the boy away from the farm and the workshop. Nothing is farm and the workshop. Nothing is from the industrial and economic and social standpoint. nizea as professions, just as emphatical hized as professions, just as emphatically as the callings of lawyer, doctor, merchant, or clerk. The schools should recognize this fact and it should equally be recognized in popular opinion.

The young man who has the farsightedness and courage to recognize it and to get over the idea that it makes a difference whether what he earns is called salary or wages and who re sure of an ample reward in earnings, in health, in opportunity to marry early, and to establish a home with a fult amount of freedom from worry. It should be one of our prime objects to put both the farmer and the mechanic on a higher plane of efficiency and reward, so as to increase their effectiveness in the economic world, and therefore the dignify, the requireration and

ness in the economic world, and there-fore the dignity, the renuneration, and the power of their positions in the social world. Need Farming Class.

furnished either by ignorance or by dire associations, on their own soil, how to increase their income by managing their farms better than they were hith-erto managed

Advice to Farmers,

The farmer must not lose his indeendence, his initiative, his rugged selfeliance, yet he must learr to work n the heartiest co-operation with his fellows, exactly as the business man dren are taught. The Department of Commerce and Labor both deal with nental, and there are other kinds of the fundamental needs of our people in the production of raw material and its manafacture and distribution, and, the proportion of men engaged in this who produce it in the raw state, and therefore, with the welfare of those

Favors Federal Grain Inspection.

The grain producing industry of the ountry, one of the most important in sideration at the hands of Congress, Our grain is sold almost exclusively by our trade abroad, these grades should laws and boards, result in confusion and lack of uniformity, destroying that confidence which is necessary for health-

Complaints against the present math.

deep waterway, with deep waterways only in the Staates of the Great Plains leading from it to the East and the others, as, for instance, in large por-

in all the world. I have appointed an Inland Waterways Commission to study and outline a comprehensive scheme of development along all the lines indi-cated. Later I shall lay its report be-fore the Congress.

Irrigation should be far more extenof the Mississippi there should be a sively developed than at present, not